

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Skyworth

SKYWORTH DIGITAL HOLDINGS LIMITED

(創維數碼控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00751)

OVERSEAS REGULATORY ANNOUNCEMENT ESTIMATED 2017 ANNUAL RESULTS OF SKYWORTH DIGITAL CO., LTD.

This announcement is made by Skyworth Digital Holdings Limited (the “**Company**”) pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Skyworth Digital Co., Ltd. (“**Skyworth Digital**”, Shenzhen Stock Code: 000810), an A-share listed company on the Shenzhen Stock Exchange and a non-wholly owned subsidiary of the Company, has announced its estimated 2017 annual results (the “**Announcement**”). The Announcement has been reproduced in the Appendix hereto. The detailed financial figures of Skyworth Digital will be disclosed in the 2017 annual report.

The Announcement in Chinese (Announcement Number: 2018-002) can be viewed on the information website of the Shenzhen Stock Exchange (<http://www.cninfo.com.cn>).

By order of the Board
Skyworth Digital Holdings Limited
Lai Weide
Chairman of the Board

Hong Kong, 23 January 2018

As at the date of this announcement, the Board of the Company comprises Mr. Lai Weide as the Chairman of the Board; Mr. Liu Tangzhi as executive director and the chief executive officer; Ms. Lin Wei Ping and Mr. Shi Chi as executive directors; Mr. Yang Dongwen as non-executive director; and Mr. Li Weibin, Mr. Cheong Ying Chew, Henry and Mr. Li Ming as independent non-executive directors.

** For identification purpose only*

Appendix

Stock Code: 000810

Stock Abbreviation: Skyworth Digital

Announcement Number: 2018-002

Skyworth Digital Co., Ltd. Announcement on Estimated 2017 Annual Results

The company and all members of the board of directors confirm that the information disclosed is true, accurate and complete, and no false records or misleading statements or material omissions.

I、 Estimated results during the current reporting period

1. Period of the estimated results: From 1 January 2017 to 31 December 2017

2. Estimated operation results:

- Loss Turnaround from loss
 Increase over the same period last year Decrease over the same period last year

Item	Current reporting period	Corresponding period last year
Net profit attributable to the shareholders of the listed company	Profit: 80,000,000 – 110,000,000	Profit: 486,402,000
	Decrease by: 83.55% – 77.38% as compared with the corresponding period in last year	
Basic earnings per share	Profit: 0.08 – 0.11	Profit: 0.48

II、 Preliminary audit of the estimated results

These estimated results have not been audited by the certified public accountants.

III、 Explanation for the changes in results

Even though the company's market sales volume and operation income on major business had achieved a year-on-year high growth, while the company's competitiveness had further enhanced its market share and market coverage ratio on the major business. However, due to global supply shortage and cost increment on key raw materials, the cost inflation on storage chips such as DDR3, EMMC Flash and NOR Flash had led to substantial upturn on procurement costs and in due course declined sharply on the gross margin year-on-year. In the meantime, fluctuations in foreign exchange rates associated with the Company's U.S. dollar assets and Euro liabilities in the reporting period had resulted in net foreign exchange losses. As a whole, the net profit margin of the Company dropped during the reporting period, and its net profit dropped significantly as compared with the same period of last year.

Currently, the key materials of storage chips procurement prices have stabilized. The company is continuing to actively implement process innovation to transform its supply chain system and full products line. At the same time, the company will adjust the internal foreign currencies assets and liabilities structure and implement long term forward foreign exchange purchase strategies which could further improve its profitability.

IV 、 Other relevant explanation

1. These estimated results are only based on the preliminary estimation by the finance department of the company and have not been audited by the audit firm. Detailed figures of the 2017 annual results together with the future operation planning will be disclosed in the 2017 annual report of the company.
2. The company's designated official media platforms included "China Securities Journal", "Securities Times" and website of the Shenzhen Stock Exchange (<http://www.cninfo.com.cn>). Investors are advised to remain cautious about the investment risks.

**By order of the Board
Skyworth Digital Co., Ltd.
24 January 2018**

Note: If there is any inconsistency between the English and Chinese versions of this appendix, the Chinese version shall prevail.